

IN THE CIRCUIT COURT OF JACKSON COUNTY, MISSOURI

MISSOURI DEPARTMENT OF
ECONOMIC DEVELOPMENT,

Plaintiff,

vs.

QUEBECOR WORLD EAGLE, INC.
d/b/a Quebecor Eagle Printing Company

Serve: Registered Agent
CT Corporation Systems
120 S. Central Ave.
Clayton, MO 63105

Defendant.

Case No.

VERIFIED PETITION

The Missouri Department of Economic Development, through the undersigned counsel, states the following for its cause of action:

1. The Missouri Department of Economic Development (“DED”) is a state agency established under § 620.010, RSMo 2000.
2. Pursuant to §§ 620.470 through 620.481, DED is authorized to enter into contracts for customized training services and grants.
3. Defendant Quebecor World Eagle, Inc. (“Quebecor”) is registered with the Missouri Secretary of State’s Office as a Missouri incorporated business with its registered agent listed as CT Corporation System, 120 S. Central Avenue, Clayton, Missouri. A copy of the Secretary of State’s listing for Quebecor is attached as Exhibit A and incorporated herein by reference.

4. Defendant Quebecor operated its Missouri facility at 4515 E. 75th Terrace, Kansas City, Missouri.

5. The Circuit Court of Jackson County jurisdiction to hear this case under Article V, § 14 of the Missouri Constitution, and § 478.070, RSMo 2000.

6. The Circuit Court of Jackson County has venue under § 508.040, RSMo 2000, because defendant breached its Missouri Customized Training Agreement at its Kansas City, Missouri facilities.

COUNT I - BREACH OF CONTRACT

7. Plaintiff re-alleges and incorporates paragraphs 1 through 6 as if fully set forth herein.

8. On or about June 24, 1999, Quebecor, through its authorized company representative Kevin Morris, applied for employee training assistance through the Missouri Customized Training Program. A copy of Quebecor's application is attached as Exhibit B and incorporated herein by reference.

9. On or about October 7, 1999, DED approved Quebecor's application for employee training assistance, and informed Quebecor in writing that it was approved for on-the-job training of \$22,039 to reimburse Quebecor for 50% of the wages paid to 15 eligible employees, and classroom training of \$26,062 plus \$3,909 in administrative costs for a total of \$29,971 to reimburse Quebecor for classroom training of 75 eligible employees. A copy of the approval letter is attached as Exhibit C and incorporated herein by reference.

8. On or about July 20, 1999 and June 8, 2000, defendant entered into two Missouri Customized Training Program Agreements (“Agreements”) with DED. Copies of the Agreements are attached as composite Exhibit D and incorporated herein by reference.

9. Pursuant to the Agreements, Quebecor received funding through the Missouri Customized Training Program. Under the training program, Quebecor was authorized to receive classroom training funds to train 75 of its eligible employees, and on-the-job training funds for 15 of its eligible employees. In all, DED reimbursed Quebecor for \$8,403 in classroom training expenses and \$16,625.90 in on-the-job training expenses, for a total of \$25,028.90 through the Missouri Customized Training Program. Exhibit D.

10. Pursuant to § 620.017, RSMo 1994, the Agreements provide, among other things, that Quebecor was prohibited from using training assistance funds for the construction or production of articles for resale (G.9), and that Quebecor could not use the training services subsidized by DED to supplant Quebecor’s normal employee development and training services or supplant programs currently funded from other local, state, or federal sources (G.16). Exhibit D.

11. Pursuant to § 620.017, RSMo 1994, and section G-17 of each Agreement, which governs events of default, Quebecor is required to repay all training assistance funds for trainees whose jobs are relocated out of Missouri within three years of the training project approval date for the first Agreement, and within five years of the training approval date for the second Agreement. Exhibit D.

12. On or about December 10, 2001, Quebecor notified DED in writing, pursuant to the Worker Adjustment and Retraining Notification Act (“Warn Letter”) that Quebecor was

permanently reducing its workforce, located at 4515 E. 75th Terrace, Kansas City, Missouri, 64132, by closing down its entire manufacturing facilities in the area on or before March 16, 2002 or within 14 days after that date. A copy of Quebecor's Warn Letter is attached as Exhibit E and incorporated herein by reference.

13. On or about March 16, 2002, Quebecor permanently closed down its Kansas City manufacturing facilities and permanently laid off all of its employees.

14. On or about May 1, 2002, the Missouri Attorney General's Office mailed Quebecor a letter demanding repayment of the \$25,028.90 in employee training expenses. A copy of the letter is attached as Exhibit F and incorporated herein by reference.

15. Quebecor did not respond to the Attorney General's Letter.

16. To date, Quebecor refuses, and continues to refuse to repay DED \$25,028.90 in employee training expenses.

17. Quebecor is responsible for breaching its Agreements with DED, and \$25,028.90 remains due and owing.

WHEREFORE, plaintiff requests this Court find Quebecor in breach of its Agreements and enter judgment in the amount of \$25,028.90 plus interest, for costs of suit, and for such other relief this Court deems proper.

COUNT II - UNJUST ENRICHMENT

18. DED re-alleges and incorporates paragraphs 1 through 17 as if fully set forth herein.

19. Quebecor has been unjustly enriched by failing to fully repay the \$25,028.90 in employee training expenses.

20. DED is entitled to recover the employee training expenses under the theory of unjust enrichment.

WHEREFORE, DED requests this Court enter judgment against Quebecor in the amount of \$25,028.90 plus interest, for costs of suit, and for such other relief this Court deems proper.

Respectfully submitted,

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ATTORNEYS FOR PLAINTIFF
MISSOURI DEPARTMENT OF
ECONOMIC DEVELOPMENT

VERIFICATION OF PETITION

State of Missouri)
) SS
County of Cole)

Comes now, Khris Heisinger, General Counsel for the Missouri Department of Economic Development, and states on oath that the allegations contained in the foregoing petition are true and correct to the best of her knowledge and belief.

KHRIS HEISINGER
General Counsel

Subscribed and sworn to before me this _____ day of _____, 2002.

Notary Public

My commission expires:_____.